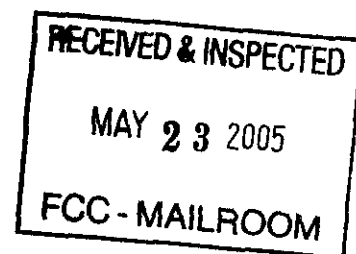




WithumSmith+Brown
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Additional Offices in New Jersey
and Pennsylvania



May 20, 2005

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 Twelfth St., SW
Washington, DC 20554

Dear Ms. Dortch:

As required by FCC Rules, Section 52.16 f, WithumSmith+Brown is submitting five copies each of the Audited Financial Statements of the North American Billing and Collection, Inc. for the period ended September 30, 2004 and an Independent Accountant's Report on Agreed Upon Procedures for the period ended September 30, 2004, CC Docket No 92-237.

Please contact Matthew Pribila of WithumSmith+Brown at (609) 520-1188 with any questions concerning the reports.

Yours truly,

Enclosures

Cc: C. Callahan
N. Jones
S. Williams
B. Hill

No. of Copies rec'd
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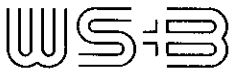
**NORTH AMERICAN BILLING
AND COLLECTION, INC.**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2004

NORTH AMERICAN BILLING AND COLLECTION, INC.
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SEPTEMBER 30, 2004

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
North American Billing and Collection, Inc.:

We have audited the accompanying statement of financial position of North American Billing and Collection, Inc. ("NBANC"), as of September 30, 2004 and the related statement of activities and cash flows for the 15 month period then ended. These financial statements are the responsibility of NBANC's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NBANC as of September 30, 2004, and the statement of activities and cash flows for the 15 month period then ended, in conformity with accounting principles generally accepted in the United States of America.

November 2, 2004

NORTH AMERICAN BILLING AND COLLECTION, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2004
(IN THOUSANDS)

ASSETS

Cash and Cash Equivalents (Unrestricted)	\$ 22
Restricted Net Assets Applicable to NANP Administration Fund	<u>6,209</u>

TOTAL ASSETS	<u>\$ 6,231</u>
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LIABILITIES AND NET ASSETS

Accrued Expenses	\$ 22
Restricted Fund Balance Applicable to NANP Administration Fund	<u>6,209</u>

Total Liabilities	<u>6,231</u>
--------------------------	---------------------

NET ASSETS	<u>\$ --</u>
-------------------	---------------------

The Notes to Financial Statements are an integral part of this statement.

NORTH AMERICAN BILLING AND COLLECTION, INC.
STATEMENT OF ACTIVITIES
FOR THE 15 MONTH PERIOD ENDED SEPTEMBER 30, 2004
(IN THOUSANDS)

Net Assets Applicable to NANP Administration Fund Removed from Restriction	\$ 523
Expenses	
Audit and accounting fees	42
Contractual administrative charges	478
General and administrative charges	<u>3</u>
Total Expenses	<u>523</u>
Net Increase in Net Assets	--
Net Assets – Beginning of Period	<u>--</u>
Net Assets – End of Period	<u>\$ --</u>

The Notes to Financial Statements are an integral part of this statement.

NORTH AMERICAN BILLING AND COLLECTION, INC.
STATEMENT OF CASH FLOWS
FOR THE 15 MONTH PERIOD ENDED SEPTEMBER 30, 2004
(IN THOUSANDS)

Cash Flows from Operating Activities:

Net assets applicable to NANP Administration Fund
removed from restriction

\$ 523

Cash paid for administrative costs

(530)

Net Cash Used for Operating Activities

(7)

Cash and Cash Equivalents, Beginning of Period

29

Cash and Cash Equivalents, End of Period

\$ 22

Reconciliation of Net Cash Provided by Operating Activities:

Net increase in fund balance

\$ —

Changes in Assets and Liabilities:

Decrease in restricted net assets applicable to
NANP Administration Fund (See Note 3)

1,781

(Decrease) in accrued expenses

(7)

(Increase) in restricted fund balance applicable to
NANP Administration Fund

(1,781)

Net Cash Used for Operating Activities

\$ (7)

The Notes to Financial Statements are an integral part of this statement.

NORTH AMERICAN BILLING AND COLLECTION, INC.
NOTES TO FINANCIAL STATEMENTS
(IN THOUSANDS)

Note 1 - General:

On August 8, 1996, the Federal Communications Commission ("FCC") adopted rules that require all providers of telecommunications services to contribute to the funding of the administration of the North American Numbering Plan ("NANP") based on their proportionate share of gross U.S. based international, interstate, and intrastate telecommunications services revenue less any payments made to other telecommunications carriers for telecommunications facilities and services used to provide telecommunications services.

On July 14, 1999 the FCC changed the NANP Administration Fund contribution base to total end user revenues, through Docket No. 98-171. Canadian and Caribbean countries contribute to the funding based on population, adjusted by numbering services performed by these countries. The NANP is the basic numbering scheme permitting interoperable telecommunications service within the United States, Canada, Bermuda and most of the Caribbean.

The National Exchange Carrier Association, Inc. ("NECA") is a not-for-profit corporation located in Whippany, New Jersey established by the FCC in 1983 to administer access service tariffs and revenue pools for local exchange carriers. On October 9, 1997, the FCC released an Order directing NECA to create an independently functioning not-for-profit subsidiary, North American Billing and Collection, Inc. ("NBANC"), through which it will administer the NANP billing and collection function. In January 1998, the FCC confirmed NECA to be the North American Numbering Plan Administrator ("NANPA") Billing and Collection Agent to administer the support mechanism for recovering the costs of the NANP administration.

NBANC calculates, assesses, bills and collects payments for numbering administration functions, and distributes funds through the NANP Administration Fund (the "Fund"). NBANC is governed by a board of directors, which includes a board representation from the NANP community including international representation. NBANC's exclusive contract expired on February 28, 2003, and was extended in an agreement on February 19, 2003 on a month to month basis. On October 1, 2004, all administrative billing and collection functions were transferred to Welch & Company, LLP. NECA approved resolutions, adopted by the NBANC Board of Directors, to dissolve NBANC effective January 1, 2005. The operations of the Fund will continue to exist after NBANC is dissolved. Future activity of the Fund will be reported by the new billing and collection administrator.

In December 1999, the division of Lockheed Martin that administered the NANP was sold to Warburg Pincus and is now known as Neustar. NBANC pays Neustar, monthly, as the NANPA. NBANC also pays Neustar as the pooling administrator when NBANC receives bills approved for payment from the FCC.

The NANP Administration Fund has paid MITRE Corporation at the direction of the FCC for consulting activities associated with the Plan Administrator Bid Process and Contract, and the NANPA Agreement and Rebid.

Included in the financial statements are the results of billing and collection administrator. The Fund results are included in the Note 3 of the financial statements.

Note 2 - Summary of Significant Accounting Policies:

A. Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting for the 15 month period ended September 30, 2004.

B. Cash and Cash Equivalents

NBANC, for the benefit of NANP, considers all highly liquid securities, purchased with maturity of three months or less, to be cash equivalents. Surplus funds are invested in two money market funds maintained by Dreyfus Service Corporation and Mellon Bank. Interest is credited when earned and the interest rate for the 15 month period ended September 30, 2004 averaged 1.0 percent.

Included in restricted net assets is \$9,223 of cash and cash equivalents at September 30, 2004.

NORTH AMERICAN BILLING AND COLLECTION, INC.
NOTES TO FINANCIAL STATEMENTS
(IN THOUSANDS)

Note 2 - Summary of Significant Accounting Policies (Cont'd):

C. Net Assets Applicable to NANP Administration Fund Removed from Restriction

Net assets removed from restriction represents amounts transferred out of the Fund to calculate, assess, bill and collect payments for numbering administrative functions.

D. Administrative Costs

NECA performs administrative services for NBANC under contract whereby NECA is compensated for all services including, employees, rent, insurance, utilities, income taxes and computer services, through a fixed fee arrangement, NBANC owns no fixed assets. NBANC is billed monthly by NECA for the services rendered. NBANC was billed approximately \$418 by NECA for the 15 month period ended September 30, 2004. In addition, Welch & Company, LLP performed administrative services for three months during the period ended September 30, 2004. A fixed fee arrangement totaling \$60 is payable to Welch & Company, LLP at September 30, 2004.

E. Income Taxes

NBANC is a not-for-profit organization subject to income taxes related to permanent and temporary timing differences. Income taxes for the period are immaterial and included as a component of administrative costs.

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 3 - NANP Administration Fund Summary Financial Information:

Statement of Financial Position

September 30, 2004

Assets

Cash and cash equivalents (Restricted)	\$ 9,223
Receivable from contributors, net of allowance for doubtful accounts of \$106	302
Prepaid expenses	<u>26</u>
Total Assets	9,551

Liabilities

Unearned revenue	2,035
Due to contributors	39
Accrued expenses	<u>1,268</u>
Total Liabilities	<u>3,342</u>

Restricted net assets applicable to NANP Administration Fund	<u>\$ 6,209</u>
--	-----------------

NORTH AMERICAN BILLING AND COLLECTION, INC.
NOTES TO FINANCIAL STATEMENTS
(IN THOUSANDS)

Note 3 - NANP Administration Fund Summary Financial Information (Cont'd):

Statement of Changes in Fund Balance

For the 15 Month Period Ended September 30, 2004

Additions to Fund Balance	
Amounts billed to contributors	\$ 6,432
Interest income	122
Bad debt recoveries	<u>21</u>
Total additions	6,575
Deductions from Fund Balance	
Amounts paid and due to service providers	7,833
Administrative costs	478
Board of directors and other corporate expenses	<u>45</u>
Total deductions	<u>8,356</u>
Net Change in Fund Balance	(1,781)
Fund Balance, Beginning of Period	<u>7,990</u>
Fund Balance, End of Period	<u>\$ 6,209</u>

Statement of Cash Flows

For the 15 Month Period Ended September 30, 2004

Cash Flow from Operating Activities	
Cash received from contributors	\$ 8,225
Cash paid for program expenses	(7,618)
Cash paid for administrative costs	(504)
Cash paid for other corporate expenses	(45)
Interest received	<u>122</u>
Net cash provided by operating activities	180
Cash and Cash Equivalents (Restricted), Beginning of Period	<u>9,043</u>
Cash and Cash Equivalents (Restricted), End of Period	<u>\$ 9,223</u>

NORTH AMERICAN BILLING AND COLLECTION, INC.
NOTES TO FINANCIAL STATEMENTS
(IN THOUSANDS)

Note 3 - NANP Administration Fund Summary Financial Information (Cont'd):

Statement of Cash Flows (Cont'd)

For the 15 Month Period Ended September 30, 2004

Reconciliation of Net Cash Provided by Operating Activities:

(Decrease) in fund balance	\$ (1,781)
Changes in Assets and Liabilities:	
Decrease in receivable from contributors	5,085
(Increase) in prepaid expense	(26)
(Decrease) in unearned revenue	(3,350)
Increase in due to contributors	37
Increase in accrued expenses	<u>215</u>

Net cash provided by operating activities	<u>\$ 180</u>
---	---------------

Note 4 - Commitments:

NBANC is responsible for funding the North American Numbering Plan Administrator. NBANC incurred costs of \$7,833 to the NANP Administration for the 15 month period ended September 30, 2004.

Note 5 - Concentration of Credit Risk:

NBANC's contributors are concentrated in the telecommunications industry. NBANC's largest contributor represented 10.23 percent of fund contributions for the 15 month period ended September 30, 2004.

The Fund maintains its cash balances at one financial institution, which may at times exceed amounts insured by the Federal Deposit Insurance Corporation. Since these are high quality financial institutions, management does not believe the Fund is exposed to any significant credit risk on its cash balances.